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CHARLES ELMORE CROPLEY
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IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1941.

No. 513.

314-657

OUTBOARD, MARINE & MANUFACTURING COMPANY,
Petitioner,

vs.

MUNCIE GEAR WORKS, INC., ET AL.,
Respondents.

PETITION FOR REHEARING RE ORDER DENYING CERTIORARI.

AND

MEMORANDUM IN SUPPORT THEREOF.

GEORGE L. WILKINSON,
First National Bank Building,
Chicago, Illinois,

S. L. WHEELER,
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Milwaukee, Wisconsin,

ISADORE LEVIN,
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Now comes Petitioner, OUTBOARD, MARINE & MANUFACTURING COMPANY, and respectfully petitions that this Court grant rehearing in the above matter and vacate its order denying certiorari and forthwith issue writ of certiorari to the Circuit Court of Appeals for the Seventh Circuit for review of the decision of that Court as to patent No. 1,786,835.

The grounds for this petition are as follows:

1. Upon a question of law closely related to that herein raised, and involving the extent of public interest in a patent case, this Court has granted certiorari in Cause No.

323, which involves the same art, the same parties, the same record, and the same opinion of the Circuit Court of Appeals for the Seventh Circuit which Petitioner seeks to have reviewed in the present case, and in which the patent in Cause No. 323 was held valid and that in Cause No. 513 was held invalid.

2. The reasons asserted in Cause No. 323 for the granting of the writ of certiorari, and in view of which this Court granted the petition, equally apply to the granting of the writ in this cause, namely:

(a) *Improbability of a Conflicting Decision.*

Evinrude patent No. ~~1,916,962~~ 1,786,835, involved in this Cause No. 513, and Johnson patent No. ~~1,786,835~~ 1,916,962, involved in Cause No. 323, relate to the same industry, which is concentrated within the Seventh Circuit, so that litigation elsewhere with resulting conflict of decisions is improbable (*Schriber-Schroth Co.* v. *Cleveland Trust Co.*, 305 U. S. 47). The petition for certiorari in Cause No. 323 asked jurisdiction because of the fact that the outboard motor industry "is concentrated within the Seventh Circuit, whereby litigation elsewhere, with a resulting conflict of decision is improbable" (p. 13). Patent No. 1,786,835 here involved, like patent No. ~~1,916,962~~ 1,916,962 involved in Cause No. 323, is concerned with outboard motors and in many respects concerns closely related subject matter. There being but one record and one judgment, the same considerations justifying the grant of the writ of certiorari in Cause No. 323 *ipso facto* apply in Cause No. 513. Respondent here, having urged these considerations as Petitioner in Cause No. 323, is in no position to deny them in the present cause.

(b) *Public Interest.*

None of the conditions enumerated in Rule 38 (5b) of this Court was present in Cause No. 323. Reasons 2 and 3 asserted in said cause for the granting of the petition, although alleging conflict with an applicable decision of this Court, were in effect based upon public interest, no actual conflict with any decision of this Court having been shown. The interest of the public is less subserved in invalidating a patent covering a practical invention which has proved of advantage to the art, than in sustaining such a patent and thereby encouraging the making of inventions.

3. The issues involved in Cause No. 323 and Cause No. 513 are closely related, both being concerned with the extent of public interest in private patent litigation.

A. The extent of public interest in patent litigation is placed in issue in the present cause (No. 513), by the opinion of the Circuit Court of Appeals (R. 616-622) (in connection with its finding of invalidity for lack of invention) that it was disposed to find the patent valid because of the tribute paid the patent by Defendants' copying, but that the Court felt obligated to "view the patent from the standpoint of the public, not merely as a case against one who was appropriating a competitor's property." Your Petitioner's second and third statement of questions presented on page 7 of its Petition, the second and third reasons assigned for granting the writ, as stated on pages 8 and 9 of the Petition and the second and third specification of errors on page 15, and the argument on these assignments, pages 19 to 24, were all directed to the extent of the public interest in a patent suit. The third assignment of error is quoted in full as follows:

"3. In undertaking to decide the issues before it on the basis of some hypothetical and unstated public interest instead of giving judgment to Petitioner in accordance with the Court's stated inclination, as between the parties before the Court."

The arguments on these assignments, pages 19 to 24, are all directed to the extent of public interest in a patent suit, wherein it is pointed out that it is to the interest of the public to sustain patents covering meritorious inventions and thereby encourage the making of inventions and rendering them available to the public.

B. In Cause No. 323, wherein certiorari has been granted, the extent of public interest is also involved. In that matter Muncie Gear Works, Inc., *et al.*, as Petitioners, are urging that claims were belatedly introduced in patent No. 1,716,962. In *Schriber-Schroth* v. *Cleveland Trust Co.*, 305 U. S. 47, 56, and in *Powers-Kennedy* v. *Concrete Mixing Co.*, 283 U. S. 175, 186, this Court has pointed out that belated introduction of claims does not render the claims invalid unless adverse public or private rights have intervened. Therefore, intervening public or private rights must be shown by Petitioner in Cause No. 323, and the extent of the public interest is directly in issue. Also, the important question of public interest is involved in the assertion in said Cause No. 323 that the Petitioner's patent, covering an invention of practical value to the art, should be held invalid on the highly technical ground of aggregation.

If this Court is to consider in Cause No. 323, wherein Defendant below is the Petitioner, the extent of the public right or interest in private patent controversies, it would seem appropriate and equitable that the corresponding issue be considered in Cause No. 513, wherein Plaintiff below

is the Petitioner, and which is a part of the same case, and comes here on the same record for review of the same opinion, with the same parties already present before the Court. The patents are not only inter-related as to subject matter, but the matters of public interest and other issues common to both petitions can be more appropriately and equitably considered by reviewing the entire record.

Petitioner also prays that the Petition in this Cause No. 513 be consolidated for hearing with the Petition of the Defendants in Cause No. 323, which was filed in the same matter and seeks review of the same judgment, and that the Petition herein be recorded, heard and granted as a Cross Petition in Cause No. 323.

Respectfully submitted,

OUTBOARD, MARINE & MANUFACTURING COMPANY,
Petitioner in Cause No. 513.

By GEORGE L. WILKINSON,
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Chicago, Illinois;
S. L. WHEELER,
606 West Wisconsin Avenue,
Milwaukee, Wisconsin;
ISADORE LEVIN,
National Bank Building,
Detroit, Michigan,
Counsel for Petitioner.

The undersigned, counsel for petitioner, do hereby certify that the foregoing Petition is presented in good faith and not for the purpose of delay.

GEORGE L. WILKINSON.
S. L. WHEELER,
ISADORE LEVIN.

MEMORANDUM IN SUPPORT OF PETITION FOR REHEARING.

The pertinent facts are stated in the petition filed and in the opinion below (119 F. (2d) 404). As noted, the cases not only were consolidated, tried upon a single record, the subject of a single decree, of a single appeal and of a single judgment in the Circuit Court of Appeals (review of which was granted in Cause No. 323), but also involve inter-related issues concerning outboard motor patents and matters of public interest involved.

It would seem appropriate under the circumstances of this case, that the petition be considered and granted as a cross-petition in Cause No. 323. The cross-writs of certiorari can then be argued together as one case upon the one record. In this connection, we refer to Rule 75(k) of the Rules of Civil Procedure, Rule 48 of the Rules of this Court, and Rule 28, Section 1 of the Rules of this Court. It was stipulated (R. 626) that one record be used in submission in Causes Nos. 323 and 513.

On certiorari, "the entire record, . . . is before this court with power to review the action of the court of appeals and direct such disposition of the case as that court might have made of it upon the appeal from the district court." *Story Parchment Co.* v. *Paterson Parchment Paper Co.*, 282 U. S. 555, 567. Thus, for the purpose of consideration of Cause No. 323, the entire record is already before this Court. The Petitioner should not be prevented from presenting those considerations which will assist this Court in making such final disposition of the case as is appropriate upon the entire record. In order that a full, balanced and equitable presentation may be made, the Pe-

tition herein should be granted as a cross-petition in Cause No. 323.

Respectfully submitted,

GEORGE L. WILKINSON,
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OUTBOARD, MARINE & MANUFACTURING COMPANY,

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vs.

MUNCIE GEAR WORKS, INC. AND BRUNS & COLLINS, INC.,

Respondents.

RESPONSE OF RESPONDENTS, MUNCIE GEAR WORKS, INC., AND BRUNS & COLLINS, INC., TO PETITION FOR REHEARING RE ORDER DENYING CERTIORARI OF OUTBOARD, MARINE & MANUFACTURING COMPANY.

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THE BUNTHORP-WARREN PRINTING COMPANY, 310 WEST JACKSON, CHICAGO

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MUNCIE GEAR WORKS, INC. AND BRUNS & COLLINS, INC.,

Respondents.

RESPONSE OF RESPONDENTS, MUNCIE GEAR WORKS, INC. AND BRUNS & COLLINS, INC., TO PETITION FOR REHEARING RE ORDER DENYING CERTIORARI OF OUTBOARD, MARINE & MANUFACTURING COMPANY.

MEMORANDUM IN OPPOSITION TO PETITION FOR REHEARING ON ORDER DENYING CERTIORARI.

The only point made by the petition for rehearing which even warrants comment is the assertion that there is "improbability of a conflicting decision" due to the fact that the outboard motor industry is concentrated in the Seventh Circuit. While it is a fact that the industry is so concentrated in the Seventh Circuit, it is obvious that

such fact is material only with reference to a petition by an alleged infringer because the patent owner, as here, can litigate its patent in every jurisdiction in the United States merely by suing dealers in outboard motors who, in fact, are located virtually in every district in the United States. Obviously therefore the petition for rehearing is predicated upon a wholly erroneous premise and lack of understanding of the legal principles applicable to the situation.

Respectfully submitted,

MUNCIE GEAR WORKS, INC., and
BRUNS & COLLINS, INC.,
By: CHAS. W. RUMMLER,
7 So. Dearborn Street,
Chicago, Illinois,
Counsel for Respondents.

Nov. 5, 1941.